

Insurance Commissioner Stewart Urges Federal Regulators to Reconsider MetLife Classification

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*Delaware Insurance Commissioner Karen Weldin Stewart Asserts
the Superiority of State Insurance Regulation by Challenging
MetLife's SIFI Designation*

DOVER, DE – In a letter to U.S. Treasury Secretary Jacob Lew and other federal regulators, Delaware Insurance Commissioner Karen Weldin Stewart has urged them to reconsider their vote to propose that MetLife be labeled as a “systemically important financial institution” (SIFI) and therefore subject to tougher federal regulation. “Based on my experience as an insurance regulator, and a regulator of one of MetLife’s larger insurance subsidiaries, I do not believe that MetLife’s businesses and corporate structure create the kind of systemic risk that Dodd-Frank’s SIFI designation process was designed to address,” she said. Stewart argues explicitly against the designation of MetLife and said state regulators are capable and competent to continue the oversight of the company.

Last month MetLife announced that the Financial Stability Oversight Council (FSOC), led by Secretary Lew, had made a “proposed determination” that MetLife should be designated a nonbank SIFI under the Dodd-Frank Wall Street Reform and Consumer Protection Act. Under this law, the FSOC was given

the power to designate financial firms whose failure would jeopardize the financial stability of the United States and label them SIFIs. “As the MetLife group does not engage in any significant non-insurance activities, let alone activities that would create systemic risk, another layer of oversight over MetLife’s activities is redundant, unnecessary and will only serve to impede the quality of service MetLife provides to its customers and the value it delivers to its shareholders,” said Stewart.

The complete text of the letter may be found at

<http://delawareinsurance.gov/docs/pdfs/insurance-commissioner-stewarts-letter-to-fsoc-regarding-metlife.pdf>

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